



California State Treasurer Fiona Ma, CPA

Press Release

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Contact: [Mark DeSio](#)
(916) 651-6088

State Treasurer Fiona Ma Issues Annual Debt Affordability Report

SACRAMENTO – California State Treasurer Fiona Ma today delivered the statutorily required annual Debt Affordability Report to the California Legislature, noting as she did so that in the current period of uncertainty created by the COVID-19 pandemic, “The state’s rainy day fund has proven especially meaningful.”

The Treasurer went on to explain that, “Because governmental revenues naturally fall faster than expenditures, the COVID-19-induced economic stress was significantly less threatening to the state because of the existence and size of the state’s rainy day funds.”

Treasurer Ma is in charge of managing the state’s debt and serves as the state’s banker. Her debt report notes that in fiscal year 2019-20, the state took advantage of falling interest rates to save taxpayers \$1.6 billion (in present value terms) or \$1.9 billion over the life of the bonds, by issuing \$4.4 billion in general obligation bonds to refinance older debt issued at higher interest rates. Those bonds were part of a total of \$7.8 billion of general obligation bonds issued by the state during fiscal year 2019-20.

Prudent actions taken by the voters, the current and prior governors, and the state Legislature over the last decade have equipped our state to deal far better with our current fiscal challenges than we have been able to in the past, the Treasurer reported. Those actions include implementing structural reforms, passing on-time balanced budgets and putting a priority on eliminating budgetary gimmicks that functioned as commitments against future resources. One of the most important reforms was the approval by voters of Proposition 2, the Rainy Day Budget Stabilization Fund Act in November 2014.

Read the full report [here](#).

Fiona Ma is California's 34th State Treasurer. She was elected on November 6, 2018 with more votes (7,825,587) than any other candidate for treasurer in the state's history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer's Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world's fifth-largest economy and Treasurer Ma is the state's primary banker. Her office processes more than \$2 trillion in transactions within a typical year. She provides transparency and oversight for the government's investment portfolio and accounts, as well as for the state's surplus funds. Treasurer Ma oversees an investment portfolio of about \$113.8 billion, \$31.9 billion of which are local government funds. She serves as agent of sale for all State bonds, and is trustee on outstanding debt of \$94 billion.

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